The Government is conscious of the need of revival of the industrial sector and has constituted 4 Task Forces to recommend ameliorative measures. The recommendations of the Task Forces have been submitted to Government and policy announcements relating to these sectors are expected shortly;

Economic Advisory Council and the Advisory Council on Trade and Industry to suggest specific measures to improve the industrial climate have been constituted.

(c) Balanced regional development through locational dispersal of industry has been one of the principal objectives of the successive Five Year Plans. Government has provided various incentives\consessions from time to time, the important ones being the Growth Centre Scheme, Transport Subsidiary Scheme and the Integrated Infrastructure Development Scheme (IIDS). To tackle the problem of industrial backwardness of North-Eastern Region and attracting investments for setting up of industrial units in the north east a new Industrial Policy for the North Eastern Region was announced by the Government on December, 1997.

Industrial growth

35. PROF. VIJAY KUMAR MALHOTRA:
SHRI PARMESHWAR KUMAR AGARWALLA:

Will the Minister of INDUSTRY be pleased to state:

(a) what is the present rate of industrial growth in the country;

(b) whether it is a fact that country's industrial growth rate continues to be sluggish for the last few years;

(c) if so, the reasons therefor; and

(d) the steps taken/proposed to be taken in the matter?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) the growth rate during the current year, April-Sept. 1998 is 3.6% as compared to 6.0% during the comparable period last year. The overall industrial performance since 1990-91 is given below:

Year	Indexes of Industrial Production* (Growth in %)
1990-91	8.3
1991-92	0.6
1992-93	2.3
1993-94	6.0
1994-95	8.4
1995-96	12.7
1996-97	5.6
1997-98	6.6
1998-99 (Apr-Sep)	3.6

* Index of Industrial Production upto 1993-94 is on Base year (1980-81=100) and after 1993-94 is on the new base (1993-94=100)

(c) The slow down in industrial growth can be attributed to both the domestic and external factors. Domestic factors include weak demand on account of inadequate investment in infrastructure sectors, like power, ports and transport, and slow down in general investment mainly due to capital market conditions and partly due to corporate restructuring in some industries in order to become internationally competitive. On the external side, the export growth has been negative which has been aggravated by fall in world exports.

The demand has been slackening for basic goods like steel, cement, commercial vehicles, capital goods as well as consumer durables. This has resulted in cut back of production by the industries and build-up of inventories.

Export growth declined to (-) 3.28% during April-September 1998 following significant declaration from 21.4% in 1995-96 to 4% in 1996-97 and 2.6% in 1997-98. As exports constitute 39.7% of total manufacturing output in the country, the decline in exports has adversely impacted industrial production.

(d) In order to arrest the slowdown in industrial growth Government have taken various measures during the Budget 1998-99 and thereafter to stimulate and revive industrial growth. The package of measures announced in the Budget inter alia, included.

(i) de-licensing of coal and lignite, and petroleum refining to attract larger inflow of capital (sugar was also subsequently delicensed).

(ii) increase in limit for aggregate investment by NRIs raised from 5% to 10%.

(iii) rationalisation of tariff structure by introducing 4% special additional duty of customs to remove disadvantages faced by the domestic industry.

(iv) Plan outlay for Energy, Transport and Communications stepped up by 35% to Rs. 61, 146 crores in 1998-99 (BE) as against Rs. 45,252 crores in 1997-98(RE).

(v) Central and State Electricity Regulatory Commissions to be set up to rationalise power tariffs.

(vi) FEMA to be introduced and FERA to be repealed.

(vii) Urban Land Ceiling and Regulation Act (ULCRA) to be repealed, which would lead to a step up in construction activity and demand for materials such as cement, steel etc.

In order to give a further boost to industry Government has announced further measures, which include:

(i) Special package announced for revival of growth in exports.

(ii) The Government has recently allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

(iii) To give an immediate boost to industrial activity, the busy season credit policy announced by RBI has avoided raising interest rates.

(iv) Counter guarantees given by Government to three major fast track power projects are expected to lead to financial closure and thus create demand for basic and other goods.

(v) Six lane, 7000 km highways at a cost Rs. 28,000 crores are to be taken up immediately.

(vi) Government has agreed to permit 40% foreign equity limit in the insurance sector. A Bill to this effect would be introduced in the coming session of the Parliament. The opening up of the insurance sector would provide long term finance for the infrastructure sector.

(vii)Government is conscious of the need for the revival of the industrial sector and has constituted Four Task Forces for Steel Capital Goods, Commercial Vehicles and Cement to recommend policy interventions to address the problems faced by these sectors. The Task Forces have submitted their recommendations to the Government. The Government has already notified exemption of seven inputs used in steel manufacturing from the 5% special customs duty. The policy announcements relating to other sectors are expected shortly.

(viii) Government has constituted an economic Advisory Council to the Prime Minister and the Council on Trade and Industry to the Prime Minister which would discuss policy measures on important economic issues.

विवरण

क्रम संख्या	सरकारी क्षेत्र के उपक्रमों के नाम	मार्च, 1998 तक निवेश की गई पूंजी (सकल ब्लॉक) की मात्रा (करोड़ रुपए में)	मार्च, 1998 तक कर्मचारियों की संख्या
1.	नेशनल इंस्ट्रूमेंट्स लि॰ (एन॰ आई॰ एल॰)	6.92	863
2.	रिहेब्लिटेशन इंडस्ट्रीज कारपोरेशन लि॰ (आर॰ आई॰ सी॰)	3.71	1272
3.	भारत आप्थाल्मिक ग्लास लि॰ (बी॰ ओ॰ जी॰ एल॰)	5.68	472
4.	वेबर्ड इंडिया लि॰ (डब्ल्यू॰ आई॰ एल॰)	0.73	183
5.	नेशनल बाइसिकिल कारपोरेशन ऑफ इंडिया लि॰ (एन॰बी॰सी॰आई॰एल॰)	1.89	676
6.	साइकिल कारपोरेशन ऑफइंडिया लि॰ (सी॰सी॰आई॰एल॰)	2.70	1718
7.	माइनिंग एंड एलाइड मशीनरी कारपोरेशन (एम॰ए॰एम॰सी॰)	57.37	4217
8.	टेनरी एंड फुटवियर कारपोरेशन लि॰ (टेफ्को)	8.10	1400
9.	भारत प्रोसेस एंड मैकेनिकल इंजीनियरिंग लि॰ (बी॰पी॰एम॰ई॰)	2.58	486

It is expected that the slowdown in current year's growth would be arrested and the growth would pick up as a result of the various measures announced.

सरकारी क्षेत्र के हानि में चल रहे उपक्रमों को बंद किया जाना

36. **श्री बलवन्त सिंह रामूवालिया:**
श्री बरजिन्दर सिंह:

क्या उद्योग मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या सरकार का ध्यान दिनांक 22 जून, 1998 के 'द आब्जर्वर' में प्रकाशित "पीएसयू इन रेड टू बी क्लोज़ड डाउन" शीर्षक से प्रकाशित समाचार की ओर दिलाया गया है;

(ख) यदि हां, तो क्या सरकार ने घाटे में चल रही ऐसी औद्योगिक संस्थाओं की पहचान की है जिन्हें बंद किए जाने का प्रस्ताव है;

(ग) यदि हां, तो ऐसे एककों के नाम क्या हैं; और

(घ) इन एककों में मार्च, 1998 तक कुल कितनी पूंजी का निवेश किया गया था और कितने श्रमिकों को काम पर लगाया गया था?

उद्योग मंत्रालय में राज्य मंत्री (श्री सुखबीर सिंह बादल): (क) जी, हां।

(ख) भारी उद्योग विभाग की नौ इकाइयां जिनमें बीआईएफआर/विनिवेश आयोग, किसी एक स्तर या अन्य स्तर पर इस नतीजे पर पहुंचा है कि ये इकाइयां अजैव्य हैं और प्राथमिक/अंतिम स्तर पर उन्हें बंद करने के बारे में अपने विचार व्यक्त किए हैं। बी॰ आई॰ एफ आर॰ एक अर्धन्यायिक निकाय है।

(ग) और (घ) 31.03.98 की स्थिति के अनुसार ऐसी इकाइयों के नाम, पूंजी निवेश और कर्मचारियों की संख्या को दर्शाने वाला एक विवरण संलग्न है।

Progress of Joint Ventures with PSUs

37. SHRI SURESH KALMADI: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have completed the review of progress of joint venture formation of eleven public sector undertakings with consultants who have given an action plan for the future;

(b) if so, what are the details of the action plan; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) to (c) Out of the 48 PSEs under the Department of Heavy Industry, 23 units have been identified for joint ventures. Consultants/Merchant Bankers who have been appointed in most cases to locate joint venture partners have also broadly indicated the steps involved in the exercise. Progress is reviewed at various levels and meetings are held with the consultants from time to time with a view to expediting the process.

Welfare schemes for workers in coir industry

38. SHRI J. CHITHARANJAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Minister of Industries and Social Welfare, Government of Kerala has written a letter to him requesting for sanction of a special grant for the successful and satisfactory implementation of various welfare schemes for the benefit of the lakhs of poor workers employed in coir industry; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes, Sir.

(b) In her letter, the Minister of Industries & Social Welfare, Government of Kerala, has requested for a central Government grant of Rs. 5 crores for successful and satisfactory implementation of welfare schemes by the Kerala Coir Workers Welfare Fund Board (KCWWFB) for the benefit of poor workers employed in the Coir Industry in Kerala. The welfare schemes being implemented by the KCWWFB include payment of old age pension at the enhanced rate of Rs. 100/-, setting up of old age homes and running of a computer centre for training of the children of the Coir workers.

During 1997-98 no grant could be sanctioned by the Government for the Kerala Coir Workers Welfare Fund Board (KCWWFB) because several irregularities had been found in the evaluation conducted by the Coir Board on the performance of the KCWWFB. These irregularities have been